

Wiltshire Council

Audit and Governance Committee

27 September 2022

Subject: Anti-Money Laundering Policy 2022

Executive Summary

This report presents the Anti-Money Laundering Policy for approval.

Proposal(s)

To recommend the approval of the council's Anti-Money Laundering Policy.

Reason for Proposal(s)

Adopting policies in line with best practice and regulation provides a good governance framework that supports a strong financial control environment to help protect the public purse. The policies provide a raft of measures to provide a positive culture of control and compliance and sets out what is expected from workers, members and the public.

Andy Brown
Corporate Director of Resources and Deputy Chief Executive (S.151 Officer)

Wiltshire Council

Audit and Governance Committee

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Subject: Anti-Money Laundering Policy 2022

Purpose of Report

1. This report presents the Anti-Money Laundering Policy for the council for approval by those charged with governance.

Relevance to the Council's Business Plan

2. Adopting policies in line with best practice and regulation provides a good governance framework that supports a strong financial control environment to help protect the public purse.
3. The policies are reflective of the Council's aims within its business plan to be open and transparent and ensure that all are working together. They are also consistent with the Council's aim for prevention and early intervention which would equally apply with internal arrangements.

Background

4. The Proceeds of Crime Act 2002 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 set out the offences, with the three main offences being:
 - **Concealing:** knowing or suspecting a case of money laundering but concealing or disguising its existence.
 - **Arranging:** becoming involved in an arrangement to launder money or assisting in money laundering.
 - **Acquisition:** use or possession: benefiting from money laundering by acquiring, using or possessing the property concerned.
5. There is also a 'third party' offence – failure to disclose one of the three main offences detailed above.
6. It is vital that the council has policies that set out clearly its position on, approach to and response to these offences. The council's current Anti-Money Laundering policy has been in draft form since 2019. The draft policy has therefore been updated and sets out the council's position on and approach to money laundering for approval.

Main Considerations for the Council

7. The policy can be seen in Appendix A and sets out Wiltshire Council's position to money laundering. As part of the Council's Constitution the Audit & Governance Committee has responsibility for Anti-Fraud and Corruption Policy

and other policies that support specific risks such as the Anti-Money Laundering Policy as those charged with governance.

8. The purpose of the Anti-Money Laundering policy is to support the specific area of money laundering alongside the existing zero tolerance position on all aspects of fraud, bribery and corruption, to provide guidance to staff and others on action to prevent or report on money laundering and to emphasise the need to be aware and to continue the Council's good record.
9. Governance and internal control procedures are already in place to meet the statutory requirements; and there is no suggestion that the council tolerates money laundering, or that staff engage in such behaviour. However, adopting an express corporate policy sets out clearly and transparently the council's approach, will help workers, members and the public understand that approach and will help the council defend any allegation that it has facilitated money laundering should this ever arise.

Overview and Scrutiny Engagement

10. As the policy approval is to be considered by the Audit and Governance Committee there has been no engagement with the Overview and Scrutiny Committee. Those charged with governance are responsible for the review and approval of this policy.

Safeguarding Implications

11. There are no safeguarding implications associated with this report.

Public Health Implications

12. There are no public health implications associated with this report.

Procurement Implications

13. There are no procurement implications associated with this report.

Equalities Impact of the Proposal

14. The policy is designed to give workers, members and the public assurance that they have an avenue where they can raise any issues associated with money laundering and where they have serious concerns the policy will be applied equally to all and therefore the policy is consistent with the council's public sector equalities duties.

Environmental and Climate Change Considerations

15. There are no environmental and climate change considerations arising from this report.

Risks that may arise if the proposed decision and related work is not taken

16. There is no current approved policy that sets out the council's position on money laundering. By not having an approved policy that is communicated to staff, members and members of the public does not provide a clear framework that is understood and is not open and transparent.

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

17. If the policy is approved, it will be published in the council's website and the policy will be appropriately communicated internally.

Financial Implications

18. The Anti-Money Laundering policy supports the financial control environment by clearly setting out the council's approach to the prevention, detection and reporting of all forms of financial irregularity and helps protect the public purse by providing a clear framework for staff.

Legal Implications

19. The proposed policy ensures that the council is setting out its approach to money laundering in line with the Proceeds of Crime Act 2002 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017.

Workforce Implications

20. There are no direct workforce implications associated with this report. The policy sets out the framework for staff and ensures that there is a safe, reliable, and confidential way of staff reporting any suspicious activity.

Options Considered

21. It is best practice for the council to have an approved policy and therefore it was considered that there was no other option but to present for approval a new policy.

Conclusions

22. It is recommended that Audit and Governance Committee approve the council's Anti-Money Laundering 2022.

Andy Brown

Corporate Director of Resources and Deputy Chief Executive (S.151 Officer)

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Appendices

Appendix A – Anti-Money Laundering Policy 2022

Background Papers

Anti-Fraud, Bribery and Corruption Policy